CHAPTER 10
MILITARY PAY
A. DEFENSE JOINT MILITARY PAY SYSTEM - ACTIVE COMPONENT (DJMS-AC).

1. TASK - Validate Pay and Allowance Entitlements.

When a member of the Air Force performs specific types of duty and or meets other criteria specified in the Department of Defense Financial Management Regulation (DoDFMR) Volume 7, Part A, he or she may be entitled to receive certain additional allowances and or entitlements which require substantiating documentation to support the payment (reference DFAS-DEM 177-373, volume I, attachment 25).

   a. **OPLOC**:
       Not applicable.

   b. **FSO**:

NOTE: Attachment 25 contains a list of all verifications, reconciliations, and recertifications required. Also, see TASK 9 for recertification procedures.

   c. **ANG**:

       Supporting documentation will be prepared by the FSO/ANG.

2. TASK - Establish Pay Account

When a member enters active duty, a skeleton Master Military Pay Account (MMPA) is established by the Air Force Military Personnel Center (AFMPC), using an E203 transaction.   This type of transaction is known as an accession.   The accession is completed upon graduation from basic training or upon arrival at the member's first permanent duty station. **There is no FSO input for this type of transaction.**

3. TASK - Maintain Master Pay Account.

The MMPA is maintained in the Defense Joint Military Pay System (DJMS) at the Defense Finance and Accounting Service-Denver Center (DFAS-DE) and is updated daily to provide an accurate reflection of the member's entitlements and status (reference DFAS-DEM 177-373, volume I, chapter 2).

NOTE: This function involves processing source documents reflected in TASKS 6 & 7.

4. TASK - Disbursement and Collection Processing.

Although DFAS-DE maintains the MMPA and most members are paid centrally, there will be times that the FSO will have to make cash disbursements and collections (reference DFAS-DEM 177-373, volume I, chapters 26, 30-31, 35-36, 52, 54, and 65).

    a. **OPLOC**:

        Not applicable.

    b. **FSO**:

        (1) Manually prepare disbursement voucher for local accounting and finance authorized payments:

            (a) Determine eligibility for payment and amount due.

            (b) Prepare voucher (AF Form 265/DD Form 117).

            (c) Obtain voucher certification from appropriate certifying official.

            (d) Break down voucher as follows:

                <u>1</u> Send original and one copy to the local cashier.

                <u>2</u> Retain one copy for Merged Accountability and Fund Reporting (MAFR) and input on appropriate business day.

                <u>3</u> For payment to members of other services, mail one copy to the appropriate DFAS center and provide one copy (For-Others), to the local Accounting Liaison Office.

            (e) Input payment to MMPA via Jumps Data Collection (JDC) (reference TASK 7).

        (2) Prepare collection voucher (DD Form 1131) for local cash collections:

            (a) Determine if there is a valid debt on the member's MMPA.

            (b) For collection of anticipated debts, see (3) below.

            (c) Prepare DD Form 1131 and distribute as stated in (1)(d)(1-2).

            (d) Input the collection (C203) via JDC to update the MMPA.

(3) Do the following for cash collection of anticipated debts for members separating or retiring:

(a) Determine the amount of the debt.

(b) Collect the total amount into the local FSO suspense account (57X6875). Contact the Accounting Liaison Office to determine the appropriate MAFR transaction.

(c) After the member's MMPA goes into "V" status (Date of Separation (DOS) + 20), verify from the MMPA that a debt was generated.

(d) Once the debt has been created, remove the amount from the local suspense account and process the collection using an SF 1081, Transfer Between Appropriation.

(e) If no debt actually exists, or if there was an over collection, refund the money to the member by check against the suspense account (reference TASK 4(1)).

(4) For replacement check procedures, follow (a) thru (e) below:

NOTE: At times, members will notify the FSO of non-receipt of checks. These checks may include Selective Reenlistment Bonuses or Advance Pays that were mailed directly to the member.

(a) Have the member complete a DD Form 2660, Statement of Claimant Requesting Recertified Check.

(b) Submit original DD Form 2660 to the local cashier liaison.

(c) Advise member that it will take approximately 6 weeks to determine if the check is outstanding with the Treasury Department.

(d) Receive information from the local cashier when the Daily Advice of Status (DAS) has been received and what action is required.

(e) If the check is still outstanding, process a disbursement voucher using appropriation 57F3880 (reference TASK 4 (1)).

(f) Annotate the Replacement Check Control Log with the voucher number, date paid, member's name and SSN, and original voucher information.

(g) Maintain one copy of the replacement voucher with your control log.

NOTE: Do not process this voucher in DJMS.

(5) For Electronic Funds Transfer (EFT) rejects, the FSO will:

(a) Receive notice from the local cashier liaison of any EFT rejects.

(b) Using TASK 4 (2), collect the amount into the local suspense account (57X6875).

(c) Using TASK 4 (1), disburse the same amount, using the corrected information, from the suspense account.

NOTE: Do not process this voucher in DJMS.

c. **ANG**:

Assist Host FSO/AF with gathering and preparing locally negotiated documentation.

5.. TASK - Calculate Pay.

Transient or casual payments are payments made to members away from the home stations. Partial payments are payments made to individuals at their home stations. One-time pay authorizations are issued by DFAS-DE based on special events or conditions creating entitlement to them (reference DFAS-DEM 177-373, volume I, chapters 3, 36, 37 and 77).

a. **OPLOC**:

Not applicable.

b. **FSO**:

(1) Casual/Partial Payments:

(a) Air Force - Using the Format ID (FID) PN or PH pay line, divide it by 15, and multiply by the number of days to pay.

(b) For Cross Disbursements (ARMY, NAVY, MARINE, and COAST GUARD), the FSO:

<u>1</u>   Verify identification and status.

<u>2</u>   Calculate entitlement using either the member's current Leave and Earning Statement (LES) or member's current hand carried pay record.

<u>3</u>   If (2) documents are unavailable, or if there is any question of their validity, contact the appropriate DFAS center to determine eligibility for payment.

(2) Other:

(a) Receive one-time authorization via JDC output (i.e., PL, PQ, PJ).

(b) Determine validity of payment by reviewing appropriate documentation and the MMPA.

(c) See TASK 4 for voucher preparation.

c. ANG:

FSO/ANG will assist Host FSO/AF with gathering and preparing locally negotiated documentation.

6. TASK - Initiate Pay Adjusting Documents

When the FSO becomes aware, through various sources (i.e., housing, member, notification of debt), of the need to adjust a member's pay, proper supporting documentation must be prepared in accordance with General Accounting Office (GAO) and regulatory requirements (reference DFAS-DEM 177-373, volume I, chapter 1-82).

a. OPLOC:

Not applicable.

b. FSO:

(1) Receive/Prepare Documents (i.e., AF Form 594, AF Form 3502, DD Form 2558, TD Form W4).

(2) Ensure documentation is complete and all necessary supporting documents are attached.

(3) Verify the document against the MMPA and determine required action (i.e. start, stop, change) based on the request received.

(4) Take the following action based on the type of document listed below:

(a) Allotments and Bonds (reference DFAS-DEM 177-373, volume I, chapters 57 & 58):

<u>1</u>   Obtain company code, if applicable.

<u>2</u>   Determine whether it is a discretionary or non-discretionary allotment.

<u>3</u>   Determine the type of recipient (1 individual or 6 financial organization).

(b) Entitlement (reference DFAS-DEM 177-373, volume I, chapter 9-37):

<u>1</u>   Determine FID.

<u>2</u>   Validate propriety of entitlement.

<u>3</u>   Obtain document certification from appropriate official.

(c) Deduction/Debt (reference DFAS-DEM 177-373, volume I, chapters 56, 69-72):

<u>1</u>   Determine deduction type.

<u>2</u>   Prepare documentation as required.

<u>3</u>   Air Force personnel (Military Personnel Flight (MPF) or AFMPC) initiate deduction for Servicemen's Group Life Insurance (SGLI), Armed Forces Retirement Home (AFRH), Dependent Dental Plan (DDP), Montgomery GI Bill (MGIB), etc.

(d) Involuntary Allotments.

NOTE: All involuntary allotments will be verified by DFAS-Cleveland Center, who will notify DFAS-DE to process the allotment against the member's pay.

c.   ANG:

FSO/ANG will assist Host FSO/AF with gathering and preparing locally negotiated documentation.

7.   TASK - Process Pay Adjusting Documents

Upon receipt of pay adjusting documents from authorized sources, the FSO ensures all necessary information and certifications are included. If so, the documents are processed against the MMPA via JDC (reference DFAS-DEM 177-373, volume I, chapter 2).

a.   **OPLOC**:

Not applicable.

b.   **FSO**:

(1) Input transactions into JDC.

(2) Send Documents to Quality Examination (QE).

(3) QE verify data input against source documents.

(4) Transmit transactions to DFAS-DE via JDC.

(5) Receive update results after central cite update (reference DFAS-DEM 177-373, volume I, chapter 3).

(6) Clear rejected transactions from the reject listing within 3 business days.

(7) Attach processed original documents to the original Document Transmittal Listing (DTL) for monthly submission to DFAS-DE/WADR.

(8) Maintain duplicate copies of the source documents with the duplicate copy of the DTL.

c.   **ANG**:

Input transactions into IMPS or JCD-III to the extent that the transactions are available to the FSO/ANG (i.e., allotments, BAQ, tax adjustments and CBPO pay-affecting transactions).

8.   TASK -   Distribution of Leave and Earning Statements (LES) and Net Pay Advice (NPA).

LESs and NPAs are received via bulk mail from DFAS-DE (reference DFAS-DEM 177-373, volume 1, chapter 7).

    a. **OPLOC**: Not applicable.

    b. **FSO**:

        (1) Receive statements in Postal Service Center (PSC) number and Unit order.

        (2) For Geographically Separated Units (GSU), include a site identifier in the SC04 (change LES address) transaction to enable members to receive pay products (LES and NPA, TD Form W2), from DFAS-DE at their location.

        (3) Upon receipt from DFAS-DE:

            (a) Breakdown the statements by PSC and individual unit addresses.

            (b) Distribute statements using local Base Information Transfer System (BITS).

        (4) If member claims non-receipt, re-issue statement using Jumps Leave and Earning Statement (JLES) on-line applications.

    c. **ANG**:

        Upon receipt of LES/NPA from host FSO/AF, ensure distribution to members.

    9. **TASK - Pay and Allowance Entitlement Recertifications/Verifications**.

Periodically, as stated in DFAS-DEM 177-373, volume I, chapter 32, and attachment 25, members are required to recertify entitlement to specific payments received. Additionally, the FSO is required to work with other Air Force organizations to verify the validity of payments certain members receive.

    a. **OPLOC**:

        Not applicable.

    b. **FSO**:

(1) Automated Recertification:

(a) Receive control listing from DFAS-DE.

(b) If applicable, send to unit for distribution to member.

(c) Establish suspense for receipt of completed statements (DFAS Form 704).

(d) If competed statements are not returned by due date, see (3) below.

(2) Manual Recertifications:

(a) When notified member is to PCS, establish suspense to ensure recertification is accomplished within 45 days prior to departure, unless completed within the last 6 months of the departure date.

(b) When notified member is to separate, ensure a completed AF Form 987 is completed and maintained in the member's Separation Work File (SWF).

(c) If statements are not received by the due date (30 days from the date the member receives the form), see (3) below.

(3) When recertification is late, reference DFAS-DEM 177-373 chapter 32, paragraph 6.

(4) For Retention of Recertification, reference DFAS-DEM 177-373, chapter 32, paragraph 7.

(5) For entitlement verifications that involve outside organizations (i.e., Flight Management Office, Unit Commanders, Housing), reference DFAS-DEM 177-373, volume I, chapters 22, 25, and 26).

c. **ANG**:

FSO/ANG will assist Host FSO/AF with gathering and preparing locally negotiated documentation.

10.. TASK - Preparation and Distribution of W-2s

DFAS-DE is responsible for the preparation and distribution, to the FSO, of all active duty W-2s (reference DFAS-DEM 177-373, volume I, chapter 56).

a. **OPLOC:**

Not applicable.

b. **FSO**:

(1) DFAS-DE will distribute W-2s in the same manner as LESs and NPAs.

(2) If member claims non-receipt:

(a) Receive request for duplicate W-2 from service member.

(b) Sign on to the 5 Year Tax History and execute the W-2 reissue.

(c) Once JBTO updates, download W-2 information and print the W-2.

c. **ANG**:

(1) Ensure distribution of W-2s in same manner as LES/NPA.

(2) If member claims non-receipt of W-2:

(a) Receive request for duplicate W-2 from service member.

(b) Sign-on to the 5 Year Tax History and execute the W-2 reissue as a Central Issue (generates W-2 from DFAS-DE).

(c) Advise member to expect receipt of re-issue in approximately 2 weeks.

11.. **TASK - Electronic Input to Pay System from Outside Sources (i.e., AFMPC, Army and Air Force Exchange Service)**

Certain organizations outside the FSO are authorized to process specified transactions against a member's MMPA under specific guidelines established via agreements between

DFAS and those organizations (reference DFAS-DEM 177-373, volume I, chapters 39, 46-48, 50-53, and 71).

    a. OPLOC:

    Not applicable.

    b. FSO:

NOTE: Receive management notices and the Transactions Originated By-Others Listing, and review them to determine if any action is required.

    c. ANG:

    Process CBPO-generated transactions in accordance with AFM 177-373, volume III, chapter 24.

    12.. **TASK - Special Action/Management Case Files**.

Under certain conditions, and based on the member's status, the FSO is required to establish a management case file which contains specific documents and maintained to support actions taken against the MMPA (reference DFAS-DEM 177-373, volume I, chapters 2, 46-48, 50-51, and 72).

    a. OPLOC:

    Not applicable.

    b. FSO:

    (1) Bankruptcy, Garnishments, and Tax Levies:

    (a) DFAS-DE processes all documents relating to the case.

    (b) DFAS-DE then notifies the servicing FSO by electronic mail (ECCS).

    (c) Servicing FSO notifies the member.

    (2) Absent Without Leave (AWOL), Deserter, and Confinement:

    (a) The local MPF or AFMPC processes transactions to update the member's status.

(b) The servicing FSO receives a copy AF Form 2098, Duty Status Change from MPF, and establishes the Management Case File to include all pertinent documents.

(c) At time specified in DFAS-DEM 177-373, volume I, chapter 2, forward file to DFAS-DE.

    c.   **ANG**:

    (1) Bankruptcy, Garnishments, and Tax Levies:

    When notified by host FSO/AF, notify member.

    (2) Absent Without Leave (AWOL), Deserter, and Confinement:

    Act as liaison between local MPF or AFMPC and host AF/FSO..

  13.. **TASK - Prepare Management/Statistical Reports**

Management and Statistical Reports are prepared and distributed by DFAS-DE and are used by the QE section to alert the FSO of trends and potential problem areas. Some examples of these reports are:

    a.   Separation Indebtedness Report - Used to determine the number of members separating in debt, and corrective action necessary to prevent future occurrences.

    b.   Open or Suspended Questionable Indebtedness Listing - Used to determine debts that are suspended or are questionable due to the rate of collection.

    c.   DJMS Input Statistics Report - Used to determine number of processed and rejected transactions on a monthly basis (reference DFAS-DEM 177-373, volume I, chapters 52 and 69).

NOTE: The ANG will research and justify any trends and/or problems identified by Host FSO/AF.

  14.   **TASK - Reconcile Pay/Personnel Mismatch**

Periodically, the pay and personnel systems are interfaced and discrepancies identified must be resolved by either military pay or MPF (reference DFAS-DEM 177-373, volume I, chapter 26, paragraph 19, attachment 25).

a.   **OPLOC**:

Not applicable.

b.   **FSO**:

(1)   Receive the report from DFAS-DE and forward one copy to the MPF.

(2)   Review the MMPA to determine if corrections have already been made.

(3)   Work mismatch per DFAS-DE 177-373, volume I, chapter 26, processing changes to the MMPA as needed.

(4)   Complete AF Form 528, Dependency Discrepancy Report:

(a)   Forward to MPF for their signature.

(b)   Upon return from MPF, make a copy of the annotated report and AF Form 528.

(c)   Maintain one copy of the annotated listing and AF Form 528.

(d)   Return completed report and AF Form 528 to DFAS-DE, with a copy to MAJCOM.

c.   **ANG**:

Review and research discrepancies as warranted.

15.   TASK - Compute Final Pay and Allowances.

When members separate or retire, the local FSO must manually compute the amount to pay each member. Although DJMS provides a computer generated final pay authorization, FSOs must ensure these payments are proper prior to release to the member (reference DFAS-DEM 177-373, volume I, chapter 52).

a.   **OPLOC**:

Not applicable.

    b. FSO:

       (1) Create Separation Work File (SWF) to include such items as separation orders, leave documents, out-processing checklist, etc.

       (2) Monitor MPF submission/resubmission of retirement and separation data.

       (3) Review MMPA for debts requiring accelerated collection action.

       (4) Maintain terminal leave log and issue leave numbers as required.

       (5) Review What-If Separations; complete AF Form 350 Separation Pay Worksheet; and check the FID NT line for computed separation payment.

       (6) If the manually computed amount differs from the computer generated authorization, send DFAS-DE/FJP an ECCS message to include amount paid, voucher number, date paid, and the reason for the difference, within 10 days of payment.

    c. ANG:

       (1) Act as MPF for submission of separation or retirement data to Host FSO/AF.

       (2) Act as liaison between member and Host FSO/AF.

       (3) Forward terminal leave request to Host FSO/AF for issuance of leave number, as required.

  16. TASK - Process In-Service Debts

A member may become indebted to the United States and its instrumentalities for various reasons (i.e., overpayment of pay and allowances) while serving on active duty. As a general rule, debts should be collected in cash (see TASK 4); however, statutory authority exists to collect the debt by lump sum or installment payments via JDC. The processing of in-service debts varies depending on the type of debt, the activity holding the debt, and the amount of the debt (reference DFAS-DEM 177-373, volume I, chapters 69-72).

    a. OPLOC:

       Not applicable.

b. **FSO**:

(1) Receive notification of debt or determine existence of debt (i.e., DD Form 139, recertification or verification of entitlements, etc.).

(2) Ensure supporting documentation is provided and debt is valid.

(3) Verify that due process, if required, has been provided to the member (DFAS-DEM 177-373, volume I, chapter 69):

(a) Notify member of the right to apply for remission, waiver, claim, rebuttal or appeal.

(b) Advise member of the right to inspect relevant documentation.

(c) Assist member in the development of debt relief action.

(4) Create management case file to include all supporting documentation (i.e., notification letter, DD Form 139, debt computation).

(5) Process the debt to the MMPA via JDC:

(a) Ensure scheduled collection amount is within the limits established by law (i.e., no more than two thirds of disposable pay under 37 U.S.C. 1007c).

(b) Ensure debt collection is suspended after application for remission has been received.

(c) Ensure debts owed to local activities contain a company code, if applicable.

c. **ANG**:

(1) Verify that due process has been provided to member.

(2) Forward all debt documentation to Host FSO/AF for input.

17. TASK - Merged Accountability and Fund Reporting (MAFR)

For each voucher reported in DJMS, there must be a corresponding entry in the General Accounting System (BQ). These amounts will be reported in BQ by Budget Project Account

Code (BPAC) 510 (officer) and 530 (enlisted). These monthly totals must be identical in both systems (reference DFAS-DEM 177-373, volume I, chapter 76).

    a. OPLOC:

        (1) Financial Statements and Reports Branch:

            (a) Notify local FSO of any daily out-of-balance conditions using the IPC/BQ Reconciliation List.

            (b) Provide Daily Audit List (DAL) and Selective Transactions History List to the FSO via distributive print.

            (c) Provide JUMPS/MAFR Reconciliation List via distributive print after end-of-month processing.

            (d) Provide DFAS-DE/FJF with one copy of the JUMPS/MAFR Reconciliation List after processing end-of-month, for all bases assigned to their Accounting Disbursing Serial Number (ADSN).

            (e) Provides assistance with voucher balancing when a voucher has been erroneously charged to P510 or P530.

    b. FSO:

        (1) Input each voucher into BQ on a daily basis.

        (2) Correct any out-of-balance conditions identified by the accounting liaison.

        (3) Using DAL, Selective Transactions History List, and the (DTL), ensure each MAFR transaction is balanced with DJMS:

            (a) Compare the voucher number on the DAL to the DTL to ensure they are correct.

            (b) Ensure the BPAC (510 and 530) matches the JDC input.

            (c) Ensure the total of each voucher is reported in MAFR as it is in DJMS.

            (d) For vouchers erroneously charged to P510 or P530, contact OPLOC for assistance.

        (4) Upon receipt of the JUMPS/MAFR Reconciliation Listing from the OPLOC:

(a) Using List Enhancement, break down the listing by voucher number.

(b) Reconcile DJMS and MAFR by comparing each voucher on the listing to the MP-19-173 Voucher Balancing/MAFR Reconciliation Report that is received from JDC.

(c) Send one copy of the JUMPS/MAFR Reconciliation List to DFAS-DE/FJF.

(d) Maintain one copy of the JUMPS/MAFR Reconciliation List and the MP-19-173 Report until each month is in balance.

c. **ANG**:

Not applicable.

18. **TASK - Dependency Determination Processing**

Members of the military are authorized to claim secondary dependents (i.e., parents, children born out of wedlock, incapacitated children). In order to receive any allowances for this type of dependent, a dependency determination must be made. DFAS-DE/FJPD processes all dependency determinations using supporting documentation compiled by the FSO (reference DFAS-DEM 177-373, volume I, chapter 26).

a. **OPLOC**: Not applicable.

b. **FSO**:

(1) Evaluate dependency potential:

(a) Interview member to determine circumstances.

(b) Assist member in completing forms (i.e., AF Forms 1865, 1866, and 1868).

(c) Refer member to MPF when required.

(d) Review package for accuracy and completeness.

(e) Create management file that includes one copy of all documents.

          (f)   Annotate Dependency Determination Control Log:

             <u>1</u>   Name, SSN, Date received, and Type of Dependency.

             <u>2</u>   Assign control number and include on upper right hand corner of the form.

             <u>3</u>   Annotate the date the determination was submitted to DFAS-DE/FJPD.

          (g) Forward the original and one copy of all completed forms to DFAS-DE/FJPD.

NOTE: DFAS-DE/FJPD notifies the member, FSO, and MPF of the determination results in writing. FJPD completes a DD Form 139 and sends to DFAS-DE/FJPA or FJPB to start, stop, or change BAQ as appropriate.

      c. **ANG**:

          (1) Evaluate dependency potential:

          (a) Interview member to determine circumstances.

          (b) Assist member in completing forms (i.e., AF Forms 1865, 1866, and 1868).

          (c) Refer member to MPF when required.

          (d) Review package for accuracy and completeness.

          (e) Create management file that includes one copy of all documents.

          (f) Annotate Dependency Determination Control Log:

             <u>1</u>   Name, SSN, date received, and type of dependency.

             <u>2</u>   Assign control number and include on upper right hand corner of the form.

             <u>3</u>   Annotate the date the determination was submitted to DFAS-DE/FJPD.

(g) Forward the original and one copy of all completed forms to DFAS-DE/FJPD.

NOTE: DFAS-DE/FJPD notifies the member, FSO, and MPF of the determination results in writing. FJPD completes a DD Form 139 and sends to DFAS-DE/FJPA or FJPB to start, stop, or change BAQ as appropriate.

B.   Defense Joint Military Pay System - Reserve Component (DJMS-RC.

1.   TASK -   Validate Pay and Allowance Entitlements

When a member of the Air National Guard performs specific types of duty and or meets other criteria specified in the Department of Defense Financial Management Regulation (DoDFMR) Volume 7, Part A, he or she may be entitled to receive certain additional allowances and or entitlements which require substantiating documentation to support the payment (reference AFM 177-373, volume III).

a. OPLOC:

Not applicable.

b. FSO:

Not applicable.

c. ANG:

NOTE: AFM 177-373, volume III, contains a list of all verifications, reconciliations, and recertifications required. Also, see TASK 9 for recertification procedures.

2.   TASK - Establish Pay Account

When a member enters the Air National Guard, a skeleton Master Military Pay Account (MMPA) is established by the Air Force Military Personnel Center (AFMPC). The servicing ANG CBPO flows the gain transaction through the Personnel Data System, which flows through AFMPC and generates the AA1 to gain the pay account. This type of transaction is known as an accession. The accession is submitted upon enlistment.

    a. **OPLOC**:

    Not applicable.

    b. **FSO**:

    Not applicable.

    c. **ANG**: Complete accession by submitting A06, A07, and A08 in accordance with AFM 177-373, volume III, chapter 2.

    3. **TASK - Maintain Master Pay Account**

The MMPA is maintained in the Defense Joint Military Pay System - Reserve Component (DJMS-RC) at the Defense Finance and Accounting Service-Denver Center (DFAS-DE) and is updated regularly to provide an accurate reflection of the member's entitlements and status (reference AFM 177-373, volume III).

NOTE: This function involves ANG FSO processing source documents as reflected in TASKs 6 and 7.

    4. **TASK - Disbursement and Collection Processing**

Although DFAS-DE maintains the MMPA and most members are paid centrally, there will be times that the FSO will have to make cash disbursements and collections (reference AFM 177-373, volume III, chapter 32).

    a. **OPLOC**:

    Make disbursement and MAFR input based on source documentation from ANG FSO.

    b. **FSO**:

    Not applicable.

    c. **ANG**:

(1) Daily prepare disbursement voucher for local accounting and finance authorized payments (manual):

    (a) Determine eligibility for payment and amount due.

    (b) Prepare voucher (AF Form 265/DD Form 117).

    (c) Obtain voucher certification from appropriate certifying official.

    (d) Voucher breakdown:

        <u>1</u>   Send original and one copy to the OPLOC.

        <u>2</u>   Forward one copy to the OPLOC for Merged Accountability and Fund Reporting (MAFR) input on appropriate business day.

    (e) Input payment to MMPA via Integrated Military Pay System (IMPS) (reference TASK 7).

(2) Replacement check procedures. At times, members will notify the ANG FSO of non-receipt of checks. These checks may include payments for duty performed or bonuses that were mailed directly to the member. Follow these procedures to reissue the check:

    (a) Have the member complete an AF Form 326, Request for Replacement Check.

    (b) Submit original AF Form 326 to the DFAS-DE in accordance with AFM 177-373, volume III, chapter 7, paragraph 7.2.2.

    (c) Advise member that it will take approximately 60-90 days to determine if the check is outstanding with the Treasury Department.

    (d) DFAS-DE will reissue check upon notification from U.S. Treasury Department of uncashed check.

    (e) Maintain one copy of the AF Form 326 for follow-up action as required**.**

(3) Electronic Funds Transfer (EFT) rejects:

    (a) DFAS-DE will review pay account for Direct Deposit changes:

        <u>1</u>   If Direct Deposit has not changed, DFAS-DE will stop Direct Deposit and mail check to pay account address. Notice will be sent to ANG FSO via DJMS-RC By-Others Input Transactions Report (PCN: UH022-0166).

        <u>2</u>   If Direct Deposit has changed, DFAS-DE will forward EFT to new financial institution/account.

5. TASK - Calculate Pay.

Partial payments are payments made to individuals manually. It is paid when member is due pay and/or entitlements and uncontrolled situations prevent paying member via DJMS-RC (reference AFM 177-373, volume III, chapter 23).

a. OPLOC:

Disburse funds as determined by ANG/FSO.

b. FSO:

Acts as a Liaison to create documentation required for payment by the OPLOC. This is done in the absence of an ANG unit.

c. ANG:

Review pay account to determine entitlement due member and appropriation needed to account for funds (i.e., Annual Training, Special Training, Unit Training Assemblies, etc.). Provide paying station with completed DD Form 117, Military Payment Voucher.

6. TASK - Initiate Pay Adjusting Documents

When the FSO becomes aware, through various sources (i.e., housing, member, notification debt), of the need to adjust a member's pay, proper supporting documentation must be prepared in accordance with General Accounting Office (GAO) and regulatory requirements (reference AFM 177-373, volume III).

a. OPLOC:

Not applicable.

    b. FSO:

    Not applicable.

    c. ANG:

    (1) Receive/Prepare Documents (i.e., AF Form 594, AF Form 3502, DD Form 2558, TD Form W4).

    (2) Ensure documentation is complete and all necessary supporting documents are attached.

    (3) Verify the document against the MMPA and determine required action (i.e. start, stop, change) based on the request received.

    (4) Take the following action based on the type of document listed below:

    (a) Entitlement (reference AFM 177-373, volume III).

    <u>1</u> Determine Transaction Indicator Number (TIN).

    <u>2</u> Validate propriety of entitlement.

    <u>3</u> Obtain document certification from appropriate official.

    (b) Deductions/Debts (reference AFM 177-373, volume III, chapter 32).

    <u>1</u> Determine deduction type.

    <u>2</u> Prepare documentation as required.

    <u>3</u> ANG personnel (Military Personnel Flight (MPF) or AFMPC) initiate deductions for Servicemen's Group Life Insurance (SGLI).

    (c) Involuntary Deductions:

    <u>1</u> Bankruptcies and Tax Levies are verified by DFAS-DE/DGG. They in turn will determine legality of indebtedness and forward memorandum to DFAS-DE/FJPG for their collection action and notification to the member and ANG-FSO.

    <u>2</u> Garnishments are verified by DFAS-Cleveland Center (DFAS-CL). They in turn will determine legality of garnishment, take appropriate action and notify member and ANG-FSO of collection action.

7. **TASK - Process Pay Adjusting Documents**

Upon receipt of pay adjusting documents from authorized sources, the ANG FSO ensures all necessary information and certifications are included. If so, the documents are processed against the MMPA via IMPS (reference AFM 177-373, volume III).

    a. **OPLOC**:

        Not applicable.

    b. **FSO:**

        Not applicable.

    c. **ANG:**

        (1) Input transaction into IMPS.

        (2) Transmit transactions to DFAS-DE via ANG Data Collection Network (SEADog) (reference AFM 177-373, volume III, chapter 3).

        (3) Receive update results after central cite update (reference AFM 177-373, volume III, chapter 3).

        (4) Clear rejected transactions from the reject listing within 2 business days.

        (5) Maintain processed original documents as specified in AFM 12-50.

    8. **TASK - Distribution of Leave and Earning Statements (LES)**

LESs are mailed from DFAS-DE to members' pay account addresses (reference AFM 177-373, volume III, chapter 7, paragraph 7.4).

    a. **OPLOC**:

        Not applicable.

    b. **FSO**:

Not applicable.

c. ANG:

(1) If member claims non-receipt, provide necessary information via retrieval from on-line inquiry or microfiche reports.

9. TASK - Pay and Allowance Entitlement Recertifications/Verifications

Periodically, as stated in AFM 177-373, volume III, chapter 14, members are required to recertify entitlement to specific payments received.

a. OPLOC:

Not applicable.

b. FSO:

Not applicable.

c. ANG:

(1) Recertification:

(a) Receive control listing from ANG MPF/CBPO or locally developed program.

(b) If applicable, send to unit for distribution to member.

(c) Establish suspense for receipt of completed statements.

(d) If completed statements are not returned to military pay by due date, take action to stop entitlement.

(2) Restart entitlement upon receipt of commander's letter of explanation for late recertification and completed recertification documentation.

(3) Retention of Recertification (reference AFM 177-373, volume III, chapter 14, paragraph 14.8).

10. TASK - Preparation and Distribution of W-2s

DFAS-DE is responsible for the preparation and distribution, to the members' MMPA personal address, of all ANG W-2s (reference AFM 177-373, volume III, chapter 3).

    a. OPLOC:

    Not applicable.

    b. FSO:

    Not applicable.

    c. ANG:

        (1) DFAS-DE will distribute W-2s in the same manner as LESs.

        (2) If member claims non-receipt: (Member requests W2 from ANG payroll office. If payroll office has not received returned W2, action is taken to generate duplicate W2 from Central Site (DFAS-DE). No W2s will be manually typed.)

            (a) Receive request for duplicate W-2 from service member.

            (b) Sign on to the 5 Year Tax History and execute the W-2 reissue at Central Site (DFAS-DE).

        (3) All corrected W2s will be processed by DFAS-DE/FJPR.

    11. TASK - Electronic Input to Pay System from Outside Sources. AFMPC is authorized to process specified transactions against a member's MMPA under specific guidelines established via agreements between DFAS and AFMPC (reference AFM 177-373, volume III, chapter 43).

    a. OPLOC:

    Not applicable.

    b. FSO:

    Not applicable.

    c. ANG:

NOTE: Review By-Others listing to determine if any action is required.

12.. TASK - Special Action/Management Case Files

Under certain conditions, and based on the member's status, the FSO is required to establish a management case file which contains specific documents, maintained to support actions taken against the MMPA (reference AFM 177-373, volume III).

a. OPLOC:

Not applicable.

b. FSO:

Not applicable.

c. ANG:

For example, Incapacitation Pay Files, copy of documentation sent to DFAS Centers for Collection action, Partial Payments Log, indebtedness case file, etc.

13. TASK - Prepare Management/Statistical Reports

Management and Statistical Reports are prepared and distributed by DFAS-DE and are used by the ANG Military Pay section to alert the ANG FSO of trends and problem areas. Some examples of these reports are:

a. Unsatisfied Debts at Separation Report - Used to identify funds due U.S. at time of separation of DJMS-RC members.

b. DJMS-RC Accounts Receivable Inventory - Field Use - Used to track status of debts.

REFERENCE: AFM 177-373, volume III, appendix D.

14.. TASK - Reconcile Pay/Personnel Mismatch

On a semiannual basis, ARPC provides listings of incompatible data elements contained in PDS master personnel records compared with the same data elements in DJMS-RC MMPAs. Master listings are provided to ANGRC; copies are distributed to the appropriate ANG FSO (reference AFM 177-373, volume III, chapter 39).

    a. **OPLOC**:

        Not applicable.

    b. **FSO**:

        Not applicable.

    c. **ANG**:

        (1) Receive the report from ANGRC.

        (2) Review the MMPA to determine corrective action required.

        (3) Process changes necessary to MMPA and annotate listing of action taken.

  15.. **TASK - Process In-Service Debts**

A member may become indebted to the United States and its instrumentalities for various reasons (i.e., overpayment of pay and allowances). The processing of in-service debts varies depending on the type of debt, the activity holding the debt, and the amount of the debt (reference AFM 177-373, volume III, chapter 32).

    a. **OPLOC**:

        Not applicable.

    b. **FSO**:

        Not applicable.

    c. **ANG**:

        (1) Receive notification of debt or determine existence of debt (i.e., DD Form 139, recertification or verification of entitlements, etc.).

(2) Ensure supporting documentation is provided and debt is valid.

(3) Verify that due process, if required, has been provided to the member (DFAS-DEM 177-373, volume I, chapter 69).

(a) Member has been notified of the right to apply for remission, waiver, claim, rebuttal or appeal.

(b) Member has been advised of the right to inspect relevant documentation.

(c) Assist member in the development of debt relief action.

(4) Create management case file, to include all supporting documentation (i.e., notification letter, DD Form 139, debt computation).

(5) Process the debt to the MMPA via IMPS.

(a) Ensure scheduled collection amount is within the limits established by law (i.e., no more than two thirds of disposable pay) under 37 U.S.C. 107c. (See DoDFMR, Volume 7a, part 7, chapter 7 for additional information.)

(b) Ensure debt collection is suspended after application for remission has been received.

(c) Ensure debts owed to local activities contain a company code, if applicable.

16.. TASK - Dependency Determination Processing

Members of the military are authorized to claim secondary dependents (i.e. parents, children born out of wedlock, incapacitated children). In order to receive any allowances for this type of dependent, a dependency determination must be made. DFAS-DE/FJPD processes all dependency determinations, using supporting documentation compiled by the FSO.

REFERENCE: DFAS-DEM 177-373, volume I, chapter 26.

a. OPLOC:

Not applicable.

      b. FSO:

         (1) Evaluate dependency potential:

           (a) Interview member to determine circumstances.

           (b) Assist member in completing forms (i.e., AF Forms 1865, 1866, and 1868).

           (c) Refer member to MPF when required.

           (d) Review package for accuracy and completeness.

           (e) Create management file that includes one copy of all documents.

           (f) Annotate Dependency Determination Control Log:

              <u>1</u> Name, SSN, date received, and type of dependency.

              <u>2</u> Assign control number and include on upper right hand corner of the form.

              <u>3</u> Annotate the date the determination was submitted to DFAS-DE/FJPD.

           (g) Forward the original and one copy of all completed forms to DFAS-DE/FJPD.

NOTE: DFAS-DE/FJPD will notify the member, FSO, and MPF of the determination results in writing. A DD Form 139 is completed by FJPD and sent to DFAS-DE/FJPA or FJPB to start, stop, or change BAQ as appropriate.